



Reprinted
January 29, 2016

SENATE BILL No. 40

DIGEST OF SB 40 (Updated January 28, 2016 2:09 pm - DI 97)

Citations Affected: IC 9-25; noncode.

Synopsis: Motor vehicle financial responsibility. Increases the financial responsibility requirements that apply to a motor vehicle registration for property damage liability arising out of the ownership, maintenance, or use of the motor vehicle.

Effective: July 1, 2016.

Miller Pete

January 5, 2016, read first time and referred to Committee on Insurance & Financial Institutions.

January 25, 2016, reported favorably — Do Pass.

January 28, 2016, read second time, amended, ordered engrossed.

SB 40—LS 6256/DI 97



Reprinted
January 29, 2016

Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

SENATE BILL No. 40

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 9-25-2-3 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2016]: Sec. 3. "Proof of financial responsibility"
3 means proof of ability to respond in damages for each motor vehicle
4 registered by a person for liability that arises out of the ownership,
5 maintenance, or use of the motor vehicle in the following amounts:
6 (1) Twenty-five thousand dollars (\$25,000) because of bodily
7 injury to or death of any one (1) person.
8 (2) Subject to the limit in subdivision (1), fifty thousand dollars
9 (\$50,000) because of bodily injury to or death of two (2) or more
10 persons in any one (1) accident.
11 (3) ~~Ten~~ **Twenty-five** thousand dollars ~~(\$10,000)~~ **(\$25,000)**
12 because of injury to or destruction of property in any one (1)
13 accident.
14 SECTION 2. IC 9-25-4-5 IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2016]: Sec. 5. Except as provided in section 6
16 of this chapter, the minimum amounts of financial responsibility are as
17 follows:

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(1) Subject to the limit set forth in subdivision (2), twenty-five thousand dollars (\$25,000) for bodily injury to or the death of one (1) individual.

(2) Fifty thousand dollars (\$50,000) for bodily injury to or the death of two (2) or more individuals in any one (1) accident.

(3) ~~Ten~~ **Twenty-five** thousand dollars (~~\$10,000~~) (**\$25,000**) for damage to or the destruction of property in one (1) accident.

SECTION 3. IC 9-25-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 10. (a) A person required to give proof of financial responsibility under this article may give proof of financial responsibility by delivering to the bureau a receipt from the treasurer of state showing a deposit with the treasurer of state of one (1) of the following:

(1) ~~Forty~~ **Fifty** thousand dollars (~~\$40,000~~) (**\$50,000**) in cash or securities that may legally be purchased by savings banks.

(2) Trust funds with a market value of ~~forty~~ **fifty** thousand dollars (~~\$40,000~~) (**\$50,000**).

(b) Money and securities deposited under this section are subject to execution to satisfy a judgment under this article within the limits of coverage and subject to the limits on amounts required by this chapter for motor vehicle liability policies. Money and securities deposited under this section are not subject to attachment or execution for a reason not listed under this article.

(c) The treasurer of state may not accept a deposit or issue a receipt for a deposit under this section, and the bureau may not accept a receipt for a deposit under this section, unless the person making the deposit provides evidence that there are no unsatisfied judgments against the person making the deposit registered in the office of the circuit court clerk of the county where the person making the deposit resides.

SECTION 4. IC 9-25-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) A judgment referred to in this chapter is considered satisfied only when the following conditions are fulfilled as appropriate:

(1) Subject to the limit in subdivision (2), twenty-five thousand dollars (\$25,000) has been credited upon a judgment rendered in excess of that amount because of bodily injury to or death of one (1) person as the result of one (1) accident.

(2) Fifty thousand dollars (\$50,000) has been credited upon a judgment rendered in excess of that amount because of bodily injury to or death of two (2) or more persons as the result of any one (1) accident.

(3) ~~Ten~~ **Twenty-five** thousand dollars (~~\$10,000~~) (**\$25,000**) has



1 been credited upon a judgment or judgments rendered in excess
2 of that amount because of injury to or destruction of property of
3 others as a result of any one (1) accident.

4 (4) The judgment is satisfied by payment accepted by the
5 judgment creditor in full satisfaction of all claims arising from
6 bodily injury, death, or property damage arising from the motor
7 vehicle accident involved in the judgment.

8 (b) A payment made in settlement of a claim because of bodily
9 injury, death, or property damage arising from a motor vehicle accident
10 shall be credited in reduction of the amounts provided for in this
11 section.

12 SECTION 5. [EFFECTIVE JULY 1, 2016] (a) **Notwithstanding**
13 **IC 9-25-2-3, IC 9-25-4-5, IC 9-25-4-10, and IC 9-25-6-5, all as**
14 **amended by this act, IC 9-25-2-3, IC 9-25-4-5, IC 9-25-4-10, and**
15 **IC 9-25-6-5, all as amended by this act, apply beginning July 1,**
16 **2017.**

17 (b) **This SECTION expires December 31, 2017.**



COMMITTEE REPORT

Madam President: The Senate Committee on Insurance & Financial Institutions, to which was referred Senate Bill No. 40, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 40 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 7, Nays 0

 SENATE MOTION

Madam President: I move that Senate Bill 40 be amended to read as follows:

Page 1, line 6, reset in roman "Twenty-five".
 Page 1, line 6, delete "Fifty".
 Page 1, line 6, reset in roman "(\$25,000)".
 Page 1, line 6, delete "(\$50,000)".
 Page 1, line 8, reset in roman "fifty".
 Page 1, line 8, delete "one hundred".
 Page 1, line 9, reset in roman "(\$50,000)".
 Page 1, line 9, delete "(\$100,000)".
 Page 2, line 1, reset in roman "twenty-five".
 Page 2, line 2, delete "fifty".
 Page 2, line 2, reset in roman "(\$25,000)".
 Page 2, line 2, delete "(\$50,000)".
 Page 2, line 4, reset in roman "Fifty".
 Page 2, line 4, delete "One hundred".
 Page 2, line 4, reset in roman "(\$50,000)".
 Page 2, line 4, delete "(\$100,000)".
 Page 2, line 15, delete "Seventy-five" and insert "**Fifty**".
 Page 2, line 15, delete "(\$75,000)" and insert "**(\$50,000)**".
 Page 2, line 17, delete "seventy-five" and insert "**fifty**".
 Page 2, line 18, delete "(\$75,000)." and insert "**(\$50,000).**".
 Page 2, line 35, reset in roman "twenty-five".
 Page 2, line 35, delete "fifty".
 Page 2, line 36, reset in roman "(\$25,000)".
 Page 2, line 36, delete "(\$50,000)".
 Page 2, line 40, reset in roman "Fifty".
 Page 2, line 40, delete "One hundred".

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Page 2, line 40, reset in roman "(\$50,000)".

Page 2, line 40, delete "(\$100,000)".

Page 3, after line 13, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE JULY 1, 2016] (a) Notwithstanding IC 9-25-2-3, IC 9-25-4-5, IC 9-25-4-10, and IC 9-25-6-5, all as amended by this act, IC 9-25-2-3, IC 9-25-4-5, IC 9-25-4-10, and IC 9-25-6-5, all as amended by this act, apply beginning July 1, 2017.

(b) This SECTION expires December 31, 2017."

(Reference is to SB 40 as printed January 26, 2016.)

MILLER PETE

